

DEPOSITION OF PERSON MOST KNOWLEDGEABLE

<p>UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK</p> <p>EKMAN & CO., AB.,)) Plaintiff,)) vs.) CASE NO. 10 CV 8110) GRAPHIC PAPER, INC.,)) Defendants.)) GRAPHIC PAPER, INC.,)) Interpleader Plaintiff,)) vs.)) EKMAN & CO. AB. and) U.S. BANK NATIONAL ASSOCIATION,)) Interpleader Defendants.))</p> <p>DEPOSITION OF PERSON MOST KNOWLEDGEABLE OF PAPER MAX, INC., TIM SUNG LONG BEACH, CALIFORNIA TUESDAY, SEPTEMBER 13, 2011</p> <p>Reported By: Susan L. Cleveland C.S.R. No. 10502</p>	<p>1 APPEARANCES OF COUNSEL (CONTINUED): 2 FOR THE DEFENDANT/INTERPLEADER PLAINTIFF, GRAPHIC PAPER INC. (NO APPEARANCE): 3 4 EITTELMAN & HOCHHEISER P.C. 100 Quentin Roosevelt Boulevard Suite 401 5 Garden City, New York 11530 (516) 227-6300 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
<p>1 DEPOSITION OF PERSON MOST KNOWLEDGEABLE 2 OF PAPER MAX, INC., TIM SUNG, taken on behalf of 3 Defendant/Interpleader Plaintiff, U.S. Bank National 4 Association, at Prindle, Amaro, Goetz, Hillyard & 5 Barnes, 310 Golden Shore, Fourth Floor, Long Beach, 6 California, at 9:19 a.m., Tuesday, September 13, 2011, 7 before Susan L. Cleveland, C.S.R. 10502, a Certified 8 Shorthand Reporter for the State of California. 9 10 APPEARANCES OF COUNSEL: 11 FOR THE WITNESS: 12 GREENBERG & BASS, LLP BY: JAMES R. FELTON, ESQ. 13 16000 Ventura Boulevard Suite 1000 14 Encino, California 91436 (818) 382-6200 15 16 FOR THE INTERPLEADER DEFENDANT, U.S. BANK NATIONAL ASSOCIATION: 17 WILK AUSLANDER, LLP BY: JOSEPH ZELMANOVITZ, OF COUNSEL 18 1515 Broadway 43rd Floor 19 New York, New York 10036 (212) 981-2300 20 21 FOR THE PLAINTIFF/INTERPLEADER DEFENDANT, EKMAN & CO. AB: 22 DUANE MORRIS, LLP BY: ANTHONY J. COSTANTINI, ESQ. 23 KEITH GREENBERG, ESQ. 1540 Broadway 24 New York, New York 10036-4086 (212) 692-1032 25 (Telephonic appearance)</p>	<p>1 INDEX 2 EXAMINATION BY: PAGE 3 Mr. Zelmanovitz 6 4 Mr. Costantini 149 5 6 EXHIBITS 7 Paper Max 8 No. Description Page 9 10 1 Subpoena to Appear and Testify at Hearing 15 or Trial in a Civil Action 11 2 Agreement between Great Champ Trading and 41 Paper Max, Inc. 12 3 Amendment to Agreement between Great 43 Champ Trading and Paper Max, Inc. 13 4 Resolutions by Unanimous Written Consent 76 of Board of Directors of Paper Max, Inc. 14 5 Affidavit of Tim Sung 78 15 6 U.S. International Trade Commission, 88 Publication 4192, November 2010 16 7 Cost Sheet 103 17 8 Generalized System of Preferences, 109 Certificate of Origin 18 19 9 Ekman State of Account as of 8/17/2010 110 20 10 Paper Max, Inc. Invoice 25000372 111 21 11 Paper Max, Inc. Invoice 1803; 25000382; 113 25000404; 25000405; 25000412; 25000425; 22 25000426; and 25000448 23 24 25</p>

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<p>1 EXHIBITS (Continued)</p> <p>2 Paper Max</p> <p>3 No. Description Page</p> <p>4 12 E-mail from Henry Sjarif to David Huskey, 114</p> <p>5 David Sung and Melody Lucas dated 1/6/10</p> <p>6 13 Paper Max, Inc. Invoice 1250 140</p> <p>7 14 Paper Max, Inc. Invoice 1262 141</p> <p>8 15 Paper Max, Inc. Invoice 1274 142</p> <p>9 16 Paper Max, Inc. Invoice 1294 143</p> <p>10 17 Paper Max, Inc. Invoice 1297 144</p> <p>11</p> <p>12 UNANSWERED QUESTIONS</p> <p>13 Page Line</p> <p>14 96 9</p> <p>15</p> <p>16</p> <p>17 INFORMATION REQUESTED</p> <p>18 (None.)</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p> <p>5</p>	<p>1 that he had a family issue that had come up, so he won't</p> <p>2 be on the phone for the deposition. So we'll just</p> <p>3 proceed without him.</p> <p>4 BY MR. ZELMANOVITZ:</p> <p>5 Q Could you state your full name and address for</p> <p>6 the record, please.</p> <p>7 A Tim, Tim, Sun, S-u-n-g. And address?</p> <p>8 Q Address, please.</p> <p>9 MR. FELTON: The business address.</p> <p>10 THE WITNESS: 222 South Harbor Boulevard, Suite</p> <p>11 900, Anaheim, California 92805.</p> <p>12 BY MR. ZELMANOVITZ:</p> <p>13 Q Are you --</p> <p>14 MR. COSTANTINI: I can barely hear the witness.</p> <p>15 I don't know if there's anything that could be done to</p> <p>16 help that. We hear you, Joe.</p> <p>17 MR. ZELMANOVITZ: Okay. We'll just ask if the</p> <p>18 witness could just raise his voice a drop.</p> <p>19 THE WITNESS: All right.</p> <p>20 BY MR. ZELMANOVITZ:</p> <p>21 Q Mr. Sung, that was your business address;</p> <p>22 right?</p> <p>23 A Correct.</p> <p>24 Q And are you a permanent resident of the state</p> <p>25 of California?</p> <p>7</p>
<p>1 LONG BEACH, CALIFORNIA, TUESDAY, SEPTEMBER 13, 2011</p> <p>2 9:19 A.M.</p> <p>3 -oOo-</p> <p>4</p> <p>5 TIM SUNG,</p> <p>6 having been first duly sworn,</p> <p>7 was examined and testified as follows:</p> <p>8</p> <p>9 EXAMINATION</p> <p>10 BY MR. ZELMANOVITZ:</p> <p>11 Q Good morning, Mr. Sung. My name is Joseph</p> <p>12 Zelmanovitz. I'm of counsel to Wilk Auslander. We</p> <p>13 represent U.S. Bank, and we'll be taking your deposition</p> <p>14 today.</p> <p>15 Now, just to clear up some of the technical</p> <p>16 points that we have for this deposition, counsel for</p> <p>17 Ekman & Co. AB is appearing here by telephone from their</p> <p>18 offices in New York via telephone conference.</p> <p>19 You want to identify yourself, Mr. Costantini?</p> <p>20 MR. COSTANTINI: It's Tony Costantini of Duane</p> <p>21 Morris, and with me is Keith Greenberg of our office,</p> <p>22 who -- and we will both be in on this deposition.</p> <p>23 MR. ZELMANOVITZ: Okay. And for the record,</p> <p>24 Joshua Stern who represents Graphic Paper</p> <p>25 sent me an e-mail, 7:32 a.m. today, to let everyone know</p> <p>6</p>	<p>1 A Yes.</p> <p>2 Q At which city are you a resident of?</p> <p>3 A Brea.</p> <p>4 Q And how do you spell that?</p> <p>5 A B-r-e-a.</p> <p>6 Q And could you give me your residence address,</p> <p>7 please.</p> <p>8 MR. FELTON: Counsel, I don't believe that's</p> <p>9 necessary. You're more than happy to serve him at our</p> <p>10 office.</p> <p>11 MR. ZELMANOVITZ: Okay. If you're saying that</p> <p>12 you'll accept service on his behalf at your office, I</p> <p>13 have no problem.</p> <p>14 MR. FELTON: Great. I accept service. We'll</p> <p>15 accept service.</p> <p>16 BY MR. ZELMANOVITZ:</p> <p>17 Q Okay. What is your present position, your</p> <p>18 employment?</p> <p>19 A Vice president of sales.</p> <p>20 Q Which company?</p> <p>21 A Paper Max.</p> <p>22 Q Can you give me the full name of Paper Max,</p> <p>23 please.</p> <p>24 A Paper Max.</p> <p>25 Q Is there a corporation at the end, a Corp., an</p> <p>8</p>

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<p>1 Q Paper Max?</p> <p>2 A Well, it depends.</p> <p>3 Q What does it depend on?</p> <p>4 A Depending on whoever has the better</p> <p>5 transportation costs.</p> <p>6 Q When you say who has the better transportation</p> <p>7 costs, meaning whether Paper Max has the better one or</p> <p>8 who?</p> <p>9 A If we have better ones or Great Champ has</p> <p>10 better, we check to see whoever has the better freight</p> <p>11 cost, and we use whoever has the better freight cost.</p> <p>12 Q Are there any particular freight forwarding</p> <p>13 companies that -- you know, a list of freight forwarding</p> <p>14 companies that Paper Max would select from?</p> <p>15 A We work with about three freight forwarding</p> <p>16 companies that we check prices with.</p> <p>17 Q And what companies are they?</p> <p>18 A We work with Port Alliance, USI, and DHL.</p> <p>19 Q Does Paper Max use the services of a customs</p> <p>20 broker?</p> <p>21 A Yes.</p> <p>22 Q And who is that?</p> <p>23 A FedEx.</p> <p>24 Q And is FedEx the same customs broker that Paper</p> <p>25 Max always uses?</p>	<p>1 A Blanco.</p> <p>2 Q Xiomara Blanco?</p> <p>3 A Uh-huh.</p> <p>4 Q Anybody else?</p> <p>5 A Those are the two.</p> <p>6 Q Did you ever deal --</p> <p>7 MR. COSTANTINI: I want to correct you, Joe. I</p> <p>8 think that's Rosanna Gataro that you mentioned.</p> <p>9 MR. ZELMANOVITZ: Oh, I'm sorry. You're right.</p> <p>10 You are right. Rosanna Gataro, yes.</p> <p>11 BY MR. ZELMANOVITZ:</p> <p>12 Q And Xiomara Blanco; right?</p> <p>13 A Yes.</p> <p>14 Q Anyone at Ekman AB in Sweden that you deal</p> <p>15 with?</p> <p>16 A No.</p> <p>17 Q Does there come a point in time during this</p> <p>18 process of the ordering and the supply of the paper to</p> <p>19 Graphic Paper that Paper Max takes title of the goods?</p> <p>20 A We don't take title of the goods.</p> <p>21 Q Never?</p> <p>22 A What we do is there is times where Ekman will</p> <p>23 reconsign the product to us for the purpose of Paper Max</p> <p>24 clearing the customs, because we have an import bond</p> <p>25 where we can import -- where we could clear customs on</p>
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<p>1 A Yes.</p> <p>2 Q Do you deal with -- withdrawn.</p> <p>3 Is there any particular individual with whom</p> <p>4 you personally deal with at the customs broker?</p> <p>5 A Yeah. I forgot the name.</p> <p>6 Q Now, when you have paper ordered by Graphic</p> <p>7 Paper financed by Ekman, do you have any communications</p> <p>8 with Ekman, and I'm using Ekman broadly, because there</p> <p>9 are several, you know, Ekman companies, but, generally,</p> <p>10 you will have communication with an Ekman company?</p> <p>11 A Yes.</p> <p>12 Q And would it be the Ekman AB in Sweden or would</p> <p>13 it be Ekman company that's located in Florida?</p> <p>14 A The Ekman in Florida.</p> <p>15 Q Is there a person or persons in Florida that</p> <p>16 have you dealt with since 2009 -- and why don't I make</p> <p>17 it clear, in 2009 and 2010?</p> <p>18 A We deal with Rosanna at Ekman.</p> <p>19 Q Would that be Rosanna Gutierrez?</p> <p>20 A Yes.</p> <p>21 Q Anyone else?</p> <p>22 A Xiomara.</p> <p>23 Q What's the name?</p> <p>24 A Xiomara.</p> <p>25 Q Xiomara, okay.</p>	<p>1 that. But we don't have the title to the goods. They</p> <p>2 just reconsign the goods for us for the purpose of</p> <p>3 clearing customs.</p> <p>4 Q So only for the purpose of clearing customs?</p> <p>5 A Correct.</p> <p>6 Q And after it clears customs, are the goods then</p> <p>7 reconsigned back to anyone?</p> <p>8 A Reconsigned, no. I mean, once we clear the</p> <p>9 customs, then Ekman has all the bills of lading and the</p> <p>10 original documents, where they could -- which they have</p> <p>11 the possession of the goods. We don't have the original</p> <p>12 documents so, you know, we can't -- we don't have the</p> <p>13 title to the goods. It's Ekman's products.</p> <p>14 Q Now, let's talk about the price for the goods.</p> <p>15 When goods are ordered by Graphic Paper, who determines</p> <p>16 the price for which those goods will be at?</p> <p>17 A Great Champ will provide pricing and -- a</p> <p>18 monthly pricing, and typically we'll give to Graphic and</p> <p>19 letting him know what the pricing for that month is.</p> <p>20 Q How do you receive the monthly pricing from</p> <p>21 Great Champ, in what form is it?</p> <p>22 A It could be e-mail or it could be phone calls.</p> <p>23 Q And who at Great Champ issues the monthly</p> <p>24 pricing?</p> <p>25 A I don't remember. I forgot her name.</p>
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